

1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE MCLEAN, VA 22102 PHONE 703.905.2800 FAX 703.905.2820

www.wileyrein.com

December 20, 2012

Nancy J. Victory 202.719.7344 nvictory@wileyrein.com

REDACTED – FOR PUBLIC INSPECTION

BY HAND DELIVERY

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th St., S.W. - The Portals Washington, D.C. 20554

Re: Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Assign Licenses, WT Docket No. 12-301

Dear Ms. Dortch:

Deutsche Telekom AG ("DT") and T-Mobile USA, Inc. ("T-Mobile USA") herewith submit the attached *ex parte* notice. The notice contains Confidential Information subject to the Protective Order¹ in the above-referenced proceeding.

Pursuant to the procedures set forth in the Protective Order, two copies of the filing in redacted form (the "Redacted Filing") are being filed with the Office of the Secretary. The Redacted Filing is also being filed electronically through the Commission's Electronic Comment Filing System. In addition, one copy of the filing containing Confidential Information is being delivered to the Office of the Secretary and two copies are being delivered to Scott Patrick of the Wireless Telecommunications Bureau's Mobility Division.

Should any questions arise concerning this filing, please do not hesitate to contact the undersigned.

_

In the Matter of Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Assign or Transfer Control of Licenses and Authorizations, Protective Order, WT Docket No. 12-301, DA 12-1664 (rel. Oct. 17, 2012).



Vielen

Marlene H. Dortch December 20, 2012 Page 2

Respectfully submitted,

Nancy J. Victory

Attachments

Best Copy and Printing cc:

David Hu Kathy Harris Kate Matraves Jim Bird

David Krech Susan Singer Jack Erb



1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE MCLEAN, VA 22102 PHONE 703.905.2800 FAX 703.905.2820

www.wileyrein.com

December 20, 2012

Nancy J. Victory 202.719.7344 nvictory@wileyrein.com

REDACTED - FOR PUBLIC INSPECTION

BY HAND DELIVERY

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th St., S.W. - The Portals Washington, D.C. 20554

Re: Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Assign Licenses, WT Docket No. 12-301

Dear Ms. Dortch:

On December 18, 2012, Nancy Victory, Mike Senkowski, and Patrick Bock, outside counsel to Deutsche Telekom AG ("DT") and T-Mobile USA, Inc. ("T-Mobile USA"), as well as Link Analytics representatives Will Hakes and Sean Groer, had a telephone conversation with David Hu, Kate Matraves and Susan Singer of the Wireless Telecommunications Bureau and Jack Erb of the Office of Strategic Planning and Policy Analysis. The parties discussed the methodology used by Link Analytics to collect the switching data filed in WT Docket No. 12-301 by DT and T-Mobile USA on December 13, 2012.

Mr. Groer explained that Link Analytics uses transactional data collected by T-Mobile USA in the ordinary course to compile its switching data. Specifically, Link Analytics uses [Begin Confidential Information]

[End Confidential Information] to find customers that switch carriers but do not port their numbers. The T-Mobile USA data allows Link Analytics to analyze data covering between 70 and 80 percent of all U.S. wireless subscribers. Link Analytics then uses its proprietary algorithms to extrapolate its data for the remaining 20 to 30 percent of subscribers and to create geographic level reports that

See Letter from Nancy J. Victory, Wiley Rein LLP, to Marlene H. Dortch, Secretary, WT Docket No. 12-301 (Dec. 13, 2012).



Marlene H. Dortch December 20, 2012 Page 2

indicate the number of subscribers believed to have switched from one carrier to another.²

In addition, Link Analytics utilizes a variety of validation techniques to ensure that its data is accurate. Link Analytics tests its proprietary algorithms [Begin Confidential Information]

[End Confidential

Information] Link Analytics has found that its algorithms correctly detect a switch 95 percent of the time. Link Analytics also regularly validates its monthly switching data [Begin Confidential Information]

[End Confidential

Information] This accuracy on subscriber counts makes market share estimates highly accurate. Finally, [**Begin Confidential Information**]

[End Confidential Information]

Like survey-based research, Link Analytics makes inferences on its unobserved population based on collected data. Unlike survey-based analyses, however, the 70 to 80 percent of subscribers that Link Analytics can observe represents an extremely large sample size that is often greater than 200 million U.S. subscribers. Moreover, by validating its switching data as described above, Link Analytics ensures that its data is accurate. Link Analytics has no reason to believe that the 20 to 30 percent of unobserved subscribers are more likely to be prepaid or postpaid, as the data collected from T-Mobile USA records and the 70 to 80 percent of observed subscribers is reflective of both prepaid and postpaid subscribers.

Link Analytics data provides an estimate for all customers that switch from one carrier to another, regardless of whether they port their number. Porting data,

Additional information on Link Analytics' methodology is attached as Attachment
 1.



Marlene H. Dortch December 20, 2012 Page 3

on the other hand, captures only approximately 25 percent of all churn in the industry—and a significantly smaller percentage of no-contract churn. For this reason, Link Analytics does not expect its data to line up with porting data in all cases—particularly for no-contract customers, very few of whom port their numbers when switching carriers. For these reasons, Link Analytics believes that its switching data is a more reliable metric than porting data for tracking the movement of subscribers between companies.

Mr. Groer noted that Link Analytics treats TracFone subscribers differently than subscribers of other MVNOs because of TracFone's significant market share and size. Mr. Groer stated that based on market share, TracFone is the fifth largest national provider of wireless services. [Begin Confidential Information]

[End Confidential Information]

This letter is being filed electronically pursuant to Section 1.1206 of the Commission's rules. Should you have any questions, please contact the undersigned.



Marlene H. Dortch December 20, 2012 Page 4

Respectfully submitted,

Nancy J. Victory

Attachments

cc: Best Copy and Printing

David Hu Kathy Harris Kate Matraves Jim Bird

David Krech Susan Singer Jack Erb

ATTACHMENT 1 PAGE 1 OF 3

PAGES 1 - 3 REDACTED